

## Claims

- [c1] What I claim is:  
A method useful in real estate mortgages in which the initial cash payment made by a real estate buyer termed the down payment is used throughout the term of the mortgage to generate earnings.
- [c2] The method as in claim 1 in which the down payment generates earnings through compounding balloon loans.
- [c3] The method as in claim 1 in which the buyer/borrower's down payment is used as security against the mortgage on behalf of the lender.
- [c4] The method as in claim 1 in which the lender provides a 100% mortgage wherein the mortgage payments return the principal.
- [c5] The method as in claim 1 in which the down payment of the buyer/borrower is used as equity on behalf of the buyer.
- [c6] The method as in claim 1 in which the buyer/borrower received the equivalent of an 80% mortgage plus interest with a 20% down payment.

- [c7] The method of claim 1 in which the down payment is considered prepaid interest on the mortgage.
- [c8] The method of claim 1 in which the down payment earnings are used to increase lender profits while lowering borrower interest rates and/or monthly payment.
- [c9] The method as in claim 1 in which the mortgage is assumable or transferable.
- [c10] The method as in claim 1 in which a 4.9% interest, ten year mortgage is derived.
- [c11] The method as in claim 1 in which prepayment penalties are eliminated.
- [c12] The method as in claim 1 in which the mortgage interest rate is fixed through the term of the loan.
- [c13] The method of claim 1 in which the mortgage is insured through a mortgage insurance account.